

IOWA UTILITIES BOARD

IN RE: EXECUTIVE ORDER 10 — REVIEW OF EQUIPMENT DISTRIBUTION PROGRAM RULES [199 IOWA ADMINISTRATIVE CODE CHAPTER 37]	DOCKET NO. RMU-2023-0037
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ORDER OPENING DOCKET AND SETTING TECHNICAL CONFERENCE AND COMMENT DEADLINE

On January 10, 2023, Gov. Kim Reynolds issued Executive Order Number 10 (Executive Order), which put a moratorium on agency rule making and directed agencies, including the Iowa Utilities Board (Board), to engage in a comprehensive evaluation of existing rules. The goals of the Executive Order include increasing public input in the rule-making process, eliminating rules that do not provide substantial benefits to Iowans, reducing the page and word count of the Iowa Administrative Code, and reducing restrictive rule language. As a part of the comprehensive review, agencies are required to repeal each rules chapter and evaluate whether the chapter, or a portion of the chapter, should be re-promulgated. To assist agencies in performing their comprehensive reviews, the Iowa Department of Management developed and published forms and processes. See <https://dom.iowa.gov/resource/red-tape-rulemaking-processes/executive-order-10-rulemaking-processes> (last accessed on July 18, 2023).

Pursuant to the Executive Order, the Board is conducting comprehensive reviews of each chapter of its administrative rules, and the Board will open the above-captioned

DOCKET NO. RMU-2023-0037

PAGE 2

docket for purposes of conducting a comprehensive review of chapter 37, which contains the Board's Equipment Distribution Program rules. Attached to this order as Attachment A is the Board's retrospective analysis (Red Tape Review Rule Report) of chapter 37, which the Board will publish on the Board's website as required by section III.B of the Executive Order. Attached to this order as Attachment B is the Board's draft regulatory analysis of chapter 37, which the Board will submit in the legislative Rules Management System for publication in the Iowa Administrative Bulletin. Finally, attached to this order as Attachment C is a draft version of chapter 37 that the Board is evaluating whether to re-promulgate.

The Board recently completed a five-year review of chapter 37 as required by Iowa Code § 17A.7(2) in Docket No. RMU-2022-0037. The Board issued an order adopting amendments in that docket on February 3, 2023, and those amendments became effective on April 12, 2023. Therefore, most of the current proposed changes to chapter 37 centers on the removal of unnecessary language, such as in rule 37.1, and the removal of restrictive language, as in rule 37.4. The proposed version of chapter 37 attached to this order would result in the reduction of 82 words and the elimination of 21 restrictive terms.

The Board is also scheduling a technical conference for September 18, 2023. Participation may occur in person or by webinar. The purpose of the technical conference is to receive comments regarding the draft regulatory analysis and the proposed version of chapter 37 to be re-promulgated. Additionally, the Board is accepting written comments concerning the regulatory analysis and the proposed re-promulgated version of chapter 37 through September 18, 2023. The Board will use the

DOCKET NO. RMU-2023-0037
PAGE 3

oral and written comments received to prepare a final version of the regulatory analysis, which will be uploaded in this docket and published on the Board's website.

IT IS THEREFORE ORDERED:

1. Docket No. RMU-2023-0037 is opened for purposes of conducting a comprehensive review of 199 Iowa Administrative Code chapter 37 pursuant to Executive Order Number 10.

2. A technical conference is set for 2 p.m. September 18, 2023, in the Utilities Board hearing room, located at 1375 E. Court Ave., Des Moines, Iowa. Interested persons may appear in person or by webinar. Information for attending by webinar can be found on the Utilities Board's website on the Hearing and Meeting Calendar page.

5. Comments regarding the draft regulatory analysis or the proposed re-promulgated version of chapter 37 shall be filed by September 18, 2023.

UTILITIES BOARD

Erik M. Helland Date: 2023.07.26
12:25:14 -05'00'

ATTEST:

Keetah Horras 2023.07.26
14:20:25 -05'00'

Sarah Martz Date: 2023.07.26
11:39:18 -05'00'

Dated at Des Moines, Iowa, this 26th day of July, 2023.

Red Tape Review Rule Report (Due: September 1, 2025)

Department Name:	Iowa Utilities Board	Date:		Total Rule Count:	6 rules in Ch. 37
IAC #:	199	Chapter/ SubChapter/ Rule(s):	199 IAC Chapter 37	Iowa Code Section Authorizing Rule:	Iowa Code § 474.5; Chapter 477C
Contact Name:	Matt Oetker	Rule #:		Phone:	515-725-7349

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

The intended benefit of Chapter 37 is to explain to the public the operation of the Equipment Distribution Program (EDP), including eligibility considerations and equipment request procedures.

199 IAC 37.1: The benefit of this rule is to explain to the public the scope of the chapter and budget considerations.

199 IAC 37.2: The benefit of this rule is to explain to the public the structure of the EDP.

199 IAC 37.3: The benefit of this rule is to explain to the public that equipment distributed through the EDP will be authorized by the Iowa Utilities Board (IUB).

199 IAC 37.4: The benefit of this rule is two-fold: to explain to the public the equipment application process and to set and explain to the public the eligibility requirements.

199 IAC 37.5: The benefit of this rule is to explain to the public the process in which the equipment will be purchased (i.e., the voucher process).

199 IAC 37.6: The benefit of this rule is to explain the EDP complaint process to the public.

Is the benefit being achieved? Please provide evidence.

The benefits described above for rules 37.1 through 37.6 are being achieved because each rule is objectively accurate in what each rule describes. Additionally, in 2022, the IUB opened a formal chapter 37 rule making and invited comments from stakeholders and other members of the public on any aspect of chapter 37. While receiving comments from the Iowa Association of the Deaf, Deaf Services Unlimited, and the Office of the Consumer Advocate, no stakeholder or other member of the public requested any provision in Chapter 37 be amended because the provision was too burdensome, overreaching, or otherwise inconsistent with the benefit of the rule and the information contained within the rule. Through that rule making, the IUB proposed a few changes to Chapter 37 (i.e., to 37.1, 37.4, and 37.4(6)-(8)) and no stakeholder or other member of the public opposed those changes.

What are the costs incurred by the public to comply with the rule?

To the extent Chapter 37, and the rules therein contained, describe the operation of the EDP, there is no cost to the public; rather, the funding for the EDP is directed by Iowa Code § 477C.7.

With that said, a member of the public who wishes to submit a program application may incur costs to demonstrate that person’s need for the equipment or device. However, Iowa Code § 477C.4 provides the

IUB with authority to establish eligibility criteria, “including but not limited to requiring certification that the recipient cannot use the telephone for communication without a telecommunications device for the deaf and hard of hearing.”

What are the costs to the agency or any other agency to implement/enforce the rule?

The costs to the agency to administer the EDP is imposed by Iowa Code 477C (as opposed to the costs being imposed by the rules contained in Chapter 37). Iowa Code § 477C.7 directs the IUB to “plan, establish, administer, and promote” the EDP and establishes a mechanism to fund the EDP. See Iowa Code § 477C.7(2) (providing that the assessments created in § 477C.7(1) are to be remitted to a special fund that “are appropriated solely to plan, establish, administer, and promote” the EDP and the dual party relay service).

Do the costs justify the benefits achieved? Please explain.

The costs imposed on the agency due to its administration of the EDP are imposed by statute. To the extent the rules impose costs to demonstrate need on members of the public who may request a telecommunications device (through existing IAC 199—37.4(1)) such requirements are justified to ensure that the expenditure of public funds for the device is proper. Further, Iowa Code § 477C.4 appears to recognize that demonstrating need is an appropriate eligibility criterion to be imposed by the IUB.

Are there less restrictive alternatives to accomplish the benefit? YES NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

Chapter 37 is not restrictive in terms of governing or regulating the public’s conduct; rather, chapter 37 describes a government program mandated by statute under which the agency assists qualified individuals to obtain telecommunications devices and equipment. The eligibility requirements set in chapter 37 are minimal and ensure devices and equipment will be provided to applicants who need such equipment and have the ability to use such equipment.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

- 199 IAC 37.1
- 199 IAC 37.4
- 199 IAC 37.5
- 199 IAC 37.6

RULES PROPOSED FOR REPEAL (list rule number[s]):

***RULES PROPOSED FOR RE-PROMULGATION* (list rule number[s] or include text if available):**

CHAPTER 37
EQUIPMENT DISTRIBUTION PROGRAM

199—37.1(477C) Purpose. This chapter describes the board’s program established pursuant to Iowa Code section 477C.4 to secure, finance, and distribute telecommunications devices. The board’s equipment distribution program serves eligible individuals who are deaf or hard-of-hearing or who have difficulty with speech.

The equipment distribution program will be limited by revenue considerations and annual budget amounts set by the board, with the advice of the dual party relay council established in Iowa Code section 477C.5. When the budgeted amounts for a period are committed or expended, no further vouchers for equipment will be issued until the next period when the board budgets additional amounts.

199—37.2(477C) Program structure. The equipment distribution program will be conducted by a program administrator chosen by the board. Distribution of equipment will be made through a voucher system utilizing private vendors for equipment purchases. Vouchers to pay part or, depending upon the price, all of the cost of equipment will be issued by the program administrator to eligible recipients. After purchase using a voucher, the recipient will be the permanent owner of the equipment and responsible for enforcement of any warranties and for any repairs.

199—37.3(477C) Equipment. The board will authorize and maintain a list of the types of equipment to be distributed through the program.

199—37.4(477C) Application process and eligibility. Applications will be processed in queue as determined by the program administrator. Additional vouchers will not be issued during a period if unpaid vouchers are outstanding for the remaining funds budgeted for the period. By signing the application form or otherwise averring to the accuracy of the information contained in the application, an applicant or the applicant's power of attorney certifies that the information provided therein is true.

37.4(1) Eligibility. No person is entitled to equipment at a particular time merely because the person meets the eligibility requirements. An eligible applicant will be limited to a voucher for one type of equipment or equipment package. A person is eligible for equipment under the program if the following requirements are satisfied:

1. The applicant's equipment need is verified by an appropriate professional, which may include a licensed physician; certified teacher in the fields of hearing, speech, or visual impairment; licensed and certified sign language interpreter; speech pathologist; audiologist or hearing aid specialist; or an appropriate state or federal agency representative.
2. The applicant has, or has applied for, access to the service that will allow the applicant to use the requested equipment. Access to internet service may be provided through a public Wi-Fi connection.
3. The applicant is an individual and an Iowa resident.
4. The applicant is at least five years of age or demonstrates an ability to use the equipment requested. No demonstration is necessary for those five years of age and older.
5. The applicant agrees to cooperate with studies to evaluate the effectiveness of the program.
6. The applicant's gross annual family income is equal to or less than \$76,000 for a family of two. Family sizes above or below two will increase or decrease that amount in \$10,000 increments per family member change.

37.4(2) Reapplication. Prior voucher recipients may reapply through the program to replace existing equipment or to obtain new equipment, as appropriate. Reapplication will be limited by a three-year waiting period. The reapplication period may be shortened by the board's equipment distribution program project manager in an individual case for good cause shown. At the time of reapplication for equipment, it is not necessary for the applicant's need for the equipment to be reverified by an appropriate professional. The program administrator will verify that the applicant reapplying for equipment previously qualified for and continues to qualify for a voucher.

199—37.5(477C) Voucher system.

37.5(1) Amount. The voucher will state a standard amount for a particular piece of equipment.

a. The standard amount is determined and updated periodically by the program administrator.

b. The standard amount is 95 percent of the average retail market price for the piece of equipment, unless the retail market price is more than \$1,000, in which case the standard amount is 99 percent of the average retail market price. The standard amount may be increased to 100 percent if a person demonstrates to the program administrator that the person is unable to pay the matching amount.

37.5(2) Voucher use. The recipient of a voucher may purchase equipment from any vendor that will accept the voucher and may apply the voucher amount toward purchase of the brand and model of indicated equipment as the recipient chooses. The program will not reimburse for equipment purchased by an applicant prior to the issuance of a voucher.

37.5(3) Term. The voucher provides for a 40-day period for the voucher recipient to present the voucher to the vendor. The vendor, upon presentation of the voucher, has 60 days to complete the sale and delivery of the equipment and to return the voucher to the program administrator. The program administrator has 20 days to process and return the voucher to the board for payment. The program administrator, for good cause shown, may extend either the 40- or 60-day deadline, provided the voucher is returned to the board for payment within 120 days from the issuance of the voucher. The program administrator may authorize reimbursement for a voucher issued more than 120 days before the voucher is sent to the board for payment if the program administrator determines good cause exists for extending the 120-day deadline and provides supporting documentation to the board.

37.5(4) Payment. The voucher is not a negotiable instrument. Upon presentation of documentation by the vendor as determined by the board, including but not limited to an invoice showing an amount due no greater than the voucher amount, the vendor will be issued a state warrant for the amount due.

199—37.6(477C) Complaints. All complaints concerning the equipment distribution program will be resolved pursuant to the following:

37.6(1) The program administrator will make determinations concerning matters such as eligibility, type of equipment for particular applicants, or reimbursement of vendors.

37.6(2) The program administrator, after requiring interested persons to state verbally or in writing any complaint or dispute arising under the equipment distribution program, will attempt to settle the matter informally within 45 days.

37.6(3) Should the informal dispute resolution process fail, the complainant may submit the complaint to the board for processing by the board’s equipment distribution program project manager as provided in 199—Chapter 6. The project manager will provide a copy of the complaint to the program administrator and the consumer advocate. The project manager will issue a proposed resolution that describes the facts involved in the dispute, clearly states the proposed resolution, and gives notice that any interested person dissatisfied with the proposed resolution has 14 days after the proposed resolution is issued to file a written request for formal complaint proceedings before the board.

37.6(4) If no timely request for formal complaint proceedings is filed, the proposed resolution shall be deemed binding on all interested persons served with the proposed resolution.

37.6(5) The board will process requests for formal complaint proceedings as provided in rule 199—6.5(476).

These rules are intended to implement Iowa Code section 477C.4.

***For rules being re-promulgated with changes, you may attach a document with suggested changes.**

METRICS

Total number of rules repealed:	0
Proposed word count reduction after repeal and/or re-promulgation	82
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	21

ARE THERE ANY RULES YOU WOULD RECOMMEND BE CODIFIED IN STATUTE?

No.

Draft Regulatory Analysis**TEXT BOXES WILL EXPAND AS YOU TYPE****Agency Name** Iowa Utilities Board **Rule #** 199 Iowa Admin. Code ch. 37**Iowa Code Section Authorizing Rule** Iowa Code § 476.2**State or Federal Law(s) Implemented by the Rule** Iowa Code chapter 477C**Public Hearing**

A public hearing at which persons may present their views orally or in writing will be held as follows:

Date/Time: September/18/2023 at 2 p.m.

Location: Iowa Utilities Board Hearing Room, 1375 East Court Avenue, Des Moines, Iowa 50319

Any interested person may submit written comments concerning this regulatory analysis. Written comments in response to this regulatory analysis must be received by the Department no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Contact Name

Matt Oetker

Address

1375 E. Court Ave., Des Moines, Iowa 50319

Email and/or phone number

matt.oetker@iub.iowa.gov

Purpose and summary of proposed rule:

Iowa Code section 477C.4 provides that the Utilities Board (Board) “may plan, establish, administer, and promote a program to secure, finance, and distribute telecommunications devices” for individuals who are deaf, hard of hearing, or have speech disorders and “may establish eligibility criteria for persons to receive [such devices], including but not limited to requiring certification that the recipient cannot use the telephone for communication without a telecommunications device for the deaf and hard of hearing.” Iowa Administrative Code chapter 199—37 creates the equipment distribution program structure, including the application and voucher process, and sets eligibility criteria.

Analysis of Impact of Proposed Rule

Draft Regulatory Analysis

1. Persons affected by the proposed rule

- Classes of persons that will bear the costs of the proposed rule:

The equipment distribution program is funded through an assessment imposed by Iowa Code § 477C.7. Costs incurred by a person applying for equipment, if any, are borne by that person.

- Classes of persons that will benefit from the proposed rule:

Qualified Iowans who are deaf, hard of hearing, or have difficulty with speech and require a telecommunications device will benefit from the rules.

2. Impact of the proposed rule, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred

- Quantitative description of impact:

All quantitative costs incurred in administering and supporting the equipment distribution program is created by the enacting statute rather than the rules. *See* Iowa Code § 477C.7(1) (providing that the Board “shall impose an assessment to fund the programs described in this chapter upon all wireless carriers and wire-line local exchange carriers providing telecommunications service in the state in the amount of three cents per month for each telecommunications service phone number provided in this state”); § 477C.7(2) (providing that the monies collected under the assessment “are appropriated solely to plan, establish, administer, and promote the relay service and equipment distribution programs”).

The proposed rules do create an application process and set eligibility criteria, and individuals applying for telecommunications devices and equipment from the program will spend time completing the equipment distribution application and may incur expenses and costs to demonstrate program eligibility (*e.g.*, acquiring a verification from an appropriate professional that the applicant has a need for the requested telecommunications equipment). However, program staff, including the agency’s third-party vendor that administers the program, are available to assist applicants in completing their applications, which may reduce the amount of time applicants spend filling-out their applications.

The proposed rules provide a quantitative benefit to qualified Iowans by providing a voucher representing 95 percent of the average retail market price for a type of equipment, unless the retail market price of over \$1,000, in which the voucher amount is 99 percent of the average retail market price. A number of vendors throughout the state have agreed to accept the program-issued vouchers and seek reimbursement for the amount of the voucher from the program. Therefore, an applicant who is issued a voucher may purchase required telecommunications equipment from one of these authorized vendors.

- Qualitative description of impact:

The predominant qualitative impact is that a qualified Iowan who is deaf, hard of hearing, or has a speech disorder may obtain a telecommunications device or equipment under the program that would allow the individual to use the telephone for communication.

3. Costs to the state

- Implementation and enforcement costs borne by the agency or any other agency:

Draft Regulatory Analysis

As previously noted, Iowa Code section 477C.7, rather than chapter 37, creates the mechanism to fund the equipment distribution program.

Pursuant to section 477C.7, moneys collected under the statutory assessment must be used to plan, establish, administer, and promote two separate programs: the dual party relay service (a program that Chapter 37 does not address) and the equipment distribution program. For Fiscal Year 2023, the budget for both programs was \$1.4 million, with approximately \$550,000 of which is allocated with the equipment distribution program.

- Anticipated effect on state revenues:

The proposed rules are not anticipated to have a meaningful impact on state revenues.

4. Comparison of the costs and benefits of the proposed rule to the costs and benefits of inaction

The costs of administering and funding the program are imposed by Iowa Code § 477C.7 rather than by the rules. To the extent the rules impose costs on applicants to demonstrate need, those costs are justified by the benefit of ensuring the applicant is eligible and that the issuance of the voucher is proper.

5. Determination if less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule

In proposed rule 37.4, the agency sought to lessen the burdens and costs on individuals completing the application by permitting a broad method for individuals to demonstrate the individual has a verified need for the equipment by an appropriate professional.

6. Alternative methods considered by the agency
 - Description of any alternative methods that were seriously considered by the agency:

The agency considered self-verified need.

- Reasons why they were rejected in favor of the proposed rule:

The agency concluded that verification of need by an appropriate professional was appropriate to avoid fraud and waste.

Small Business Impact

If the rule will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rule on small business:

- Establish less stringent compliance or reporting requirements in the rule for small business.

Draft Regulatory Analysis

- Establish less stringent schedules or deadlines in the rule for compliance or reporting requirements for small business.
- Consolidate or simplify the rule’s compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rule for small business.
- Exempt small business from any or all requirements of the rule.

If legal and feasible, how does the rule use a method discussed above to reduce the substantial impact on small business?

The agency does not believe the proposed rules will have an adverse impact on small businesses.

Text of Proposed Rule:

CHAPTER 37
EQUIPMENT DISTRIBUTION PROGRAM

199—37.1(477C) Purpose. This chapter describes the board’s program established pursuant to Iowa Code section 477C.4 to secure, finance, and distribute telecommunications devices. The board’s equipment distribution program serves eligible individuals who are deaf or hard-of-hearing or who have difficulty with speech.

The equipment distribution program will be limited by revenue considerations and annual budget amounts set by the board, with the advice of the dual party relay council established in Iowa Code section 477C.5. When the budgeted amounts for a period are committed or expended, no further vouchers for equipment will be issued until the next period when the board budgets additional amounts.

199—37.2(477C) Program structure. The equipment distribution program will be conducted by a program administrator chosen by the board. Distribution of equipment will be made through a voucher system utilizing private vendors for equipment purchases. Vouchers to pay part or, depending upon the price, all of the cost of equipment will be issued by the program administrator to eligible recipients. After purchase using a voucher, the recipient will be the permanent owner of the equipment and responsible for enforcement of any warranties and for any repairs.

199—37.3(477C) Equipment. The board will authorize and maintain a list of the types of equipment to be distributed through the program.

199—37.4(477C) Application process and eligibility. Applications will be processed in queue as determined by the program administrator. Additional vouchers will not be issued during a period if unpaid vouchers are outstanding for the remaining funds budgeted for the period. By signing the application form or otherwise averring to the accuracy of the information contained in the application, an applicant or the applicant’s power of attorney certifies that the information provided therein is true.

37.4(1) Eligibility. No person is entitled to equipment at a particular time merely because the person

Draft Regulatory Analysis

meets the eligibility requirements. An eligible applicant will be limited to a voucher for one type of equipment or equipment package. A person is eligible for equipment under the program if the following requirements are satisfied:

1. The applicant's equipment need is verified by an appropriate professional, which may include a licensed physician; certified teacher in the fields of hearing, speech, or visual impairment; licensed and certified sign language interpreter; speech pathologist; audiologist or hearing aid specialist; or an appropriate state or federal agency representative.
2. The applicant has, or has applied for, access to the service that will allow the applicant to use the requested equipment. Access to internet service may be provided through a public Wi-Fi connection.
3. The applicant is an individual and an Iowa resident.
4. The applicant is at least five years of age or demonstrates an ability to use the equipment requested. No demonstration is necessary for those five years of age and older.
5. The applicant agrees to cooperate with studies to evaluate the effectiveness of the program.
6. The applicant's gross annual family income is equal to or less than \$76,000 for a family of two. Family sizes above or below two will increase or decrease that amount in \$10,000 increments per family member change.

37.4(2) Reapplication. Prior voucher recipients may reapply through the program to replace existing equipment or to obtain new equipment, as appropriate. Reapplication will be limited by a three-year waiting period. The reapplication period may be shortened by the board's equipment distribution program project manager in an individual case for good cause shown. At the time of reapplication for equipment, it is not necessary for the applicant's need for the equipment to be reverified by an appropriate professional. The program administrator will verify that the applicant reapplying for equipment previously qualified for and continues to qualify for a voucher.

199—37.5(477C) Voucher system.

37.5(1) Amount. The voucher will state a standard amount for a particular piece of equipment.

- a. The standard amount is determined and updated periodically by the program administrator.
- b. The standard amount is 95 percent of the average retail market price for the piece of equipment, unless the retail market price is more than \$1,000, in which case the standard amount is 99 percent of the average retail market price. The standard amount may be increased to 100 percent if a person demonstrates to the program administrator that the person is unable to pay the matching amount.

37.5(2) Voucher use. The recipient of a voucher may purchase equipment from any vendor that will accept the voucher and may apply the voucher amount toward purchase of the brand and model of indicated equipment as the recipient chooses. The program will not reimburse for equipment purchased by an applicant prior to the issuance of a voucher.

37.5(3) Term. The voucher provides for a 40-day period for the voucher recipient to present the voucher to the vendor. The vendor, upon presentation of the voucher, has 60 days to complete the sale and delivery of the equipment and to return the voucher to the program administrator. The program administrator has 20 days to process and return the voucher to the board for payment. The program administrator, for good cause shown, may extend either the 40- or 60-day deadline, provided the voucher is returned to the board for payment within

Draft Regulatory Analysis

120 days from the issuance of the voucher. The program administrator may authorize reimbursement for a voucher issued more than 120 days before the voucher is sent to the board for payment if the program administrator determines good cause exists for extending the 120-day deadline and provides supporting documentation to the board.

37.5(4) *Payment.* The voucher is not a negotiable instrument. Upon presentation of documentation by the vendor as determined by the board, including but not limited to an invoice showing an amount due no greater than the voucher amount, the vendor will be issued a state warrant for the amount due.

199—37.6(477C) *Complaints.* All complaints concerning the equipment distribution program will be resolved pursuant to the following:

37.6(1) The program administrator will make determinations concerning matters such as eligibility, type of equipment for particular applicants, or reimbursement of vendors.

37.6(2) The program administrator, after requiring interested persons to state verbally or in writing any complaint or dispute arising under the equipment distribution program, will attempt to settle the matter informally within 45 days.

37.6(3) Should the informal dispute resolution process fail, the complainant may submit the complaint to the board for processing by the board's equipment distribution program project manager as provided in 199—Chapter 6. The project manager will provide a copy of the complaint to the program administrator and the consumer advocate. The project manager will issue a proposed resolution that describes the facts involved in the dispute, clearly states the proposed resolution, and gives notice that any interested person dissatisfied with the proposed resolution has 14 days after the proposed resolution is issued to file a written request for formal complaint proceedings before the board.

37.6(4) If no timely request for formal complaint proceedings is filed, the proposed resolution shall be deemed binding on all interested persons served with the proposed resolution.

37.6(5) The board will process requests for formal complaint proceedings as provided in rule 199—6.5(476).

These rules are intended to implement Iowa Code section 477C.4.

ATTACHMENT CCHAPTER 37
EQUIPMENT DISTRIBUTION PROGRAM

199—37.1(477C) Purpose. This chapter describes the board's program established pursuant to Iowa Code section 477C.4 to secure, finance, and distribute telecommunications devices. The board's equipment distribution program serves eligible individuals who are deaf or hard-of-hearing or who have difficulty with speech.

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199—37.3(477C) Equipment. The board will authorize and maintain a list of the types of equipment to be distributed through the program.

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3. The applicant is an individual and an Iowa resident.
4. The applicant is at least five years of age or demonstrates an ability to use the equipment requested. No demonstration is necessary for those five years of age and older.
5. The applicant agrees to cooperate with studies to evaluate the effectiveness of the program.
6. The applicant's gross annual family income is equal to or less than \$76,000 for a family of two. Family sizes above or below two will increase or decrease that amount in \$10,000

ATTACHMENT C

increments per family member change.

37.4(2) Reapplication. Prior voucher recipients may reapply through the program to replace existing equipment or to obtain new equipment, as appropriate. Reapplication will be limited by a three-year waiting period. The reapplication period may be shortened by the board's equipment distribution program project manager in an individual case for good cause shown. At the time of reapplication for equipment, it is not necessary for the applicant's need for the equipment to be reverified by an appropriate professional. The program administrator will verify that the applicant reapplying for equipment previously qualified for and continues to qualify for a voucher.

199—37.5(477C) Voucher system.

37.5(1) Amount. The voucher will state a standard amount for a particular piece of equipment.

a. The standard amount is determined and updated periodically by the program administrator.

b. The standard amount is 95 percent of the average retail market price for the piece of equipment, unless the retail market price is more than \$1,000, in which case the standard amount is 99 percent of the average retail market price. The standard amount may be increased to 100 percent if a person demonstrates to the program administrator that the person is unable to pay the matching amount.

37.5(2) Voucher use. The recipient of a voucher may purchase equipment from any vendor that will accept the voucher and may apply the voucher amount toward purchase of the brand and model of indicated equipment as the recipient chooses. The program will not reimburse for equipment purchased by an applicant prior to the issuance of a voucher.

37.5(3) Term. The voucher provides for a 40-day period for the voucher recipient to present the voucher to the vendor. The vendor, upon presentation of the voucher, has 60 days to complete the sale and delivery of the equipment and to return the voucher to the program administrator. The program administrator has 20 days to process and return the voucher to the board for payment. The program administrator, for good cause shown, may extend either the 40- or 60-day deadline, provided the voucher is returned to the board for payment within 120 days from the issuance of the voucher. The program administrator may authorize reimbursement for a voucher issued more than 120 days before the voucher is sent to the board for payment if the program administrator determines good cause exists for extending the 120-day deadline and provides supporting documentation to the board.

37.5(4) Payment. The voucher is not a negotiable instrument. Upon presentation of documentation by the vendor as determined by the board, including but not limited to an invoice showing an amount due no greater than the voucher amount, the vendor will be issued a state warrant for the amount due.

199—37.6(477C) Complaints. All complaints concerning the equipment distribution program will be resolved pursuant to the following:

37.6(1) The program administrator will make determinations concerning matters such as eligibility, type of equipment for particular applicants, or reimbursement of vendors.

37.6(2) The program administrator, after requiring interested persons to state verbally or in writing any complaint or dispute arising under the equipment distribution program, will attempt to settle the matter informally within 45 days.

37.6(3) Should the informal dispute resolution process fail, the complainant may submit the complaint to the board for processing by the board's equipment distribution program project manager as provided in 199—Chapter 6. The project manager will provide a copy of the complaint to the program administrator and the consumer advocate. The project manager will issue a proposed resolution that describes the facts involved in the dispute, clearly states the proposed resolution, and gives notice that any interested person dissatisfied with the proposed resolution has 14 days after the proposed resolution

ATTACHMENT C

is issued to file a written request for formal complaint proceedings before the board.

37.6(4) If no timely request for formal complaint proceedings is filed, the proposed resolution shall be deemed binding on all interested persons served with the proposed resolution.

37.6(5) The board will process requests for formal complaint proceedings as provided in rule 199—6.5(476).

These rules are intended to implement Iowa Code section 477C.4.